

ted Republic of Tanzania had been greatly assisted by China, which had granted an interest-free loan of \$400 million and had provided dedicated and selfless personnel to construct the railway between the two countries scheduled for completion late in 1974, 18 months ahead of schedule. Zambia would thus have demonstrated its determination to apply the sanctions adopted by the Security Council against Southern Rhodesia, even at the expense of its own interests. His delegation thanked all countries which had responded to the appeal made in Security Council resolution 329 (1973), as well as the United Nations Secretary-General, the Economic and Social Council and the specialized agencies for their assistance.

52. He was gratified to note that the Economic and Social Council continued to demonstrate its ability to adapt itself to the changing conditions of the modern world. He was confident that the enlargement of the Council would enhance its efficiency and enable it to ensure that the activities and policy of the specialized agencies reflected the priorities of the United Nations.

53. Mr. FIGUEROA (Chile), speaking in exercise of the right of reply, said that once again certain delegations had tried to place a false interpretation on recent events in Chile. The way in which those interpretations were orchestrated demonstrated clearly that they all came from the same source. However, world public opinion was gradually becoming aware of the foreign intervention to which Chile had been subjected with the complicity of the previous Government. The military junta, acting as the interpreter of the will of the great majority of the Chilean people, had put an end to that foreign meddling by opposing the countries which, either overtly or covertly, had been seeking to interfere in Chile's internal affairs. Those countries were now making accusations devoid of all foundation, taking as their pretext Allende's suicide, an act which everyone regretted. It was only to be expected that such countries should complain now that Chile had put an end to their activities.

The meeting rose at 1.05 p.m.

1528th meeting

Tuesday, 9 October 1973, at 10.50 a.m.

Chairman: Mr. Zewde GABRE-SELLASSIE (Ethiopia).

A/C.2/SR.1528

GENERAL DEBATE (*continued*)

1. Mr. YONG (Malaysia) said it was unfortunate that neither the Committee on Review and Appraisal nor the Economic and Social Council had agreed on the results achieved after the first two years of the International Development Strategy for the Second United Nations Development Decade it was difficult, in the circumstances, to see how the international community could achieve the targets called for in the Strategy, let alone fulfil the hopes it had raised. The cause of development did seem to have "lost momentum", as the Committee for Development Planning had stated,¹ and it was therefore essential that all should renew their commitment to try to achieve the objectives that had been set. In that respect, the developed countries had a special responsibility, whatever reservations or objections they might have made when the International Development Strategy had been adopted by the General Assembly in its resolution 2626 (XXV). It was to be hoped that the more industrialized countries would follow the example of a number of developed countries that had withdrawn their reservations, and that the spirit of *détente* would spread to the social and economic field.

2. Although it might be too early to analyse the implementation of the Strategy, it was clear that there had been a considerable time lag in implementing it. Financial transfers, far from meeting the targets of the Strategy, had in fact declined. The gap between developed and developing countries had continued to widen, and the same disparity was to be found among developing countries themselves and between popula-

tion groups within those countries. Those were issues to which the Committee must address itself, bearing in mind the innovations and fresh ideas which had come up since the Strategy had been adopted and which must be incorporated into the Strategy. His delegation wished to stress that the Committee's work must be based on consensus.

3. A prerequisite for the progress of developing countries was a stable and durable monetary system based on the full participation of all countries, developed and developing, and taking into account the special needs and interests of the developing countries. The establishment of the IMF Committee of 20 was therefore to be welcomed. However, his delegation hoped that monetary matters would also be discussed within IMF itself, for in its view the Fund should be in the mainstream of the efforts to devise an internationally agreed monetary system and its authority should prevail over all related matters.

4. The most immediate task was to arrest inflation, in view of its adverse effects on domestic economic affairs, exchange rates, development planning and terms of trade. It must be realized that whatever gains developing countries derived from a growth in the demand for their export products were only temporary and were partly offset by the increase in import values and the reduction in external aid.

5. The Kennedy Round of trade negotiations had been a disappointment to the developing countries, and the current trade negotiations would succeed only if the developed countries dismantled the protectionist barriers they had erected. It was regrettable that the tariff advantages which the developing countries had obtained under the generalized system of preferences

¹ See *Official Records of the Economic and Social Council, Fifty-fifth Session, Supplement No. 5*, para. 29.

should have been eroded because of the enlargement of EEC and the establishment of an industrial free trade area in Western Europe. All in all, it was to be hoped that the multilateral trade negotiations would result in a greater share of international trade for the developing countries, better access to the markets of developed countries and equitable and stable prices for their products.

6. In conformity with the principle that the progress of developing countries depended primarily on their own efforts, Malaysia was making strenuous efforts to ensure a steady growth rate of its economy and to improve the quality of life of its people. The Government had acted to reduce the role of agriculture in the economy and had placed emphasis on industrialization as a means to achieve speedy development and reduce the dependence of the country on primary products which were too sensitive to unstable world prices.

7. Malaysia also tried to attract private foreign investment by offering generous terms and concessions, while none the less maintaining its sovereignty over its natural resources and stipulating that investors must work within the social and economic goals laid down in national development plans. Malaysia in turn had accepted international obligations by subscribing to the Convention on the Settlement of Investment Disputes between States and Nationals of Other States, of 18 March 1965, and by concluding double taxation agreements with a number of countries.

8. Malaysia had realized that the growth of the gross national product (GNP) was not enough in itself and that social and cultural factors had to be taken into account, especially since in Malaysia's case income disparities seemed to run along racial lines. The Second Malaysia Plan therefore aimed at a more balanced development to benefit the population as a whole. Malaysia's national development efforts were therefore completely in line with the provisions of the Strategy, and it now remained for the developed countries to honour the commitments they had entered into under the Strategy, particularly in respect of trade.

9. His country, and particularly the state of Sarawak, was well endowed with natural resources, and he was glad to see that the Economic and Social Council had decided to recommend that the General Assembly should establish a United Nations revolving fund for natural resources exploration. The concept of self-help on which the fund was to be based was extremely important for the developing countries, which were now aware that, in order to break the hold the developed countries had over them, reduce their assistance needs and increase their bargaining power, they must organize themselves to obtain a fairer share of world trade. That had been emphasized at the recent Conference of Heads of State or Government of Non-Aligned Countries at Algiers (5-9 September 1973), and the Malaysian Finance Minister, at the joint annual meeting of IBRD and IMF at Nairobi (24-28 September 1973), had called upon developing countries to form marketing organizations to get fairer prices for their primary commodities.

10. In view of the extremely rapid development of science and technology, a formula for international co-operation should be devised to facilitate the development of technology appropriate to conditions in the countries concerned. What was needed was a com-

mitment to the provisions of the International Development Strategy and UNCTAD resolution 39 (III) on the transfer of technology.²

11. Mr. EXNER (Czechoslovakia) said it was regrettable that the major changes for the better which had occurred in international political relations were not being taken advantage of as much as they should be to resolve problems in the social and economic fields. The United Nations should adopt decisions which took into account the change in the situation and which helped to improve international economic and social relations.

12. One primary component of Czechoslovakia's peaceful foreign policy was the development of economic co-operation. Even leaving aside the very close co-operation which it maintained with the States members of CMEA, Czechoslovakia sought to establish mutually advantageous economic relations with other countries on the basis of equality, of the principle of non-interference in the internal affairs of States, and of peaceful coexistence between countries with different social systems. The development of economic co-operation was the material basis for peaceful coexistence. Conditions should therefore be created which would make it possible to strengthen or diversify economic and trade co-operation according to the principles laid down in the draft statement on promoting the development of co-operation in economic, trade, scientific and technological matters on the basis of equality submitted by the socialist countries at the twenty-seventh session of the Assembly.³

13. Since Czechoslovakia had begun building a socialist society, its economy had made remarkable progress. The national income was 4.3 times greater than 25 years before and the average *per capita* income was three times higher than the world average. Building and industrial activities maintained a steady growth rate and agricultural output had increased by 30 per cent since 1936, although the agricultural population had declined by two thirds and the acreage under cultivation had also declined. Those results showed the superiority of socialist methods based on a system of agricultural co-operatives.

14. Czechoslovakia had also been remarkably successful in its efforts to develop the poorest region of the country, Slovakia. Economic progress in that region had been accompanied by corresponding progress in other sectors, such as education, health and employment. That example well showed that it was possible, using socialist methods, to make up a country's economic and scientific lag in a relatively short time.

15. In foreign affairs Czechoslovakia was strengthening its relations with the other States members of CMEA in all fields; CMEA was now a very important industrial unit, and the political, social and economic development of all the member States demonstrated its unusual dynamism and the advantages provided by the integration of national economies and the internationalization of the forces of production. CMEA's achievements had aroused great interest in non-member countries.

² See *Proceedings of the United Nations Conference on Trade and Development, Third Session*, vol. I, *Report and Annexes* (United Nations publication, Sales No. E.73.II.D.4), annex I.A.

³ See *Official Records of the General Assembly, Twenty-seventh Session, Annexes*, agenda item 12, document A/8963, para. 38.

16. The second session of the Committee on Review and Appraisal had shown how difficult it was to achieve a satisfactory rate of economic and social growth for the countries of the third world without adopting the progressive principles which should regulate relations between States. In that respect, the draft charter of the economic rights and duties of States aroused great hopes and, as it incorporated the principle of universal co-operation, it ought to be able to contribute to the improvement of international relations in all fields, irrespective of the social systems and level of development of the countries concerned. No one could dispute the right of the developing countries to have a provision included in the charter specifying the obligations of those countries which were responsible for their backwardness because of their colonialist or neo-colonialist activities. Another important factor in the economic development of the countries of the third world was the Soviet Union's proposal at the 2126th meeting that the military budgets of States permanent members of the Security Council should be reduced by 10 per cent and that part of the funds thus saved should be used to provide assistance to developing countries.

17. In recent years Czechoslovakia had continued to expand its co-operation with developing countries, and its trade with them had increased by 11.4 per cent in two years. That commercial and economic co-operation was based on bilateral agreements; recent agreements with Algeria, Iraq and Bangladesh had been modelled on similar ones which had been concluded previously with other countries and which had been carried out in a most satisfactory manner.

18. In view of the real scientific and technological revolution which was taking place at present, increased attention should also be given to scientific and technological co-operation. His country was very willing to co-operate with other countries on the basis of equality and mutual benefit. Thus, it was continuing to help developing countries to train their own personnel by granting fellowships to enable students to take courses at Czechoslovak universities.

19. Mr. FASLA (Algeria) said that the twenty-eighth session gave the Second Committee an opportunity not only to appraise the results achieved in the implementation of the International Development Strategy but also to test the capacity of the United Nations system to cope with the problems of the third world.

20. It must be admitted that the present *détente* in international relations had had no noticeable effects on the developing countries or on international economic co-operation in their behalf. Although *détente* was desirable, co-operation and good relations among developed countries must not operate to the disadvantage of the poorer countries. Clearly, the rift had never been so sharp between those who had controlled the destiny of peoples and wished to maintain the established order, and those who were struggling for legitimate changes.

21. While in Europe the process of the normalization of relations between groups of countries with different social and economic systems was continuing, the areas of tension in Africa, Asia and Latin America were skillfully maintained and the third world remained a prime location for aggression, political pressures, exploitation and economic blackmail. The world had a gloomy future unless the international community demon-

strated effective solidarity in behalf of the developing countries, in accordance with the principles of the Charter of the United Nations and the Universal Declaration of Human Rights.

22. One of the most important economic events of 1973 had been the first review and appraisal of the International Development Strategy. At the time of its launching three years previously, the Strategy was supposed to offer the international community a framework for co-operation within which developing and developed countries undertook to accelerate economic and social progress, especially in the countries of the third world. The first results indicated that the goals, modest as they were, had been only partially achieved. The participants in the Conference of Heads of State or Government of Non-Aligned Countries at Algiers attributed the evident failure of the International Development Strategy as much to the lack of political will on the part of the affluent countries to take emergency action, as to the fact that the growth target had not been adapted to the real priorities of the developing countries. The necessary international co-operation had been lacking. The attitude of the Governments of some developed countries, and the behaviour of multinational corporations and other monopolistic companies which benefited from the plundering of the developing countries, had not helped to create external economic conditions in keeping with the objectives of the Strategy.

23. As to official aid for development, only two developed countries had achieved the originally established target of 0.7 per cent of GNP. According to the report of IBRD, official development assistance would not exceed an average of 0.31 per cent in 1975; meanwhile, the over-all increase in the GNP of the developed countries would be \$1,100,000 million. That was clear proof that the rich countries lacked the political will to honour their commitments.

24. The share of the developing countries in international trade had continued to decrease despite the recent growth in the demand for raw materials, which had benefited those countries temporarily, although in an uneven manner. That slight readjustment had affected only raw materials; trade in manufactured and semi-finished goods from the developing countries, on the other hand, had continued to run up against the protectionist measures of the affluent countries, whose policies were in fact designed to discourage developing countries from embarking on industrialization and to keep their economies confined within the primary sectors.

25. The multilateral trade negotiations which had started at Tokyo at the ministerial meeting of GATT (12-14 September) were aimed at remodelling the world economic order. It would, therefore, be intolerable if once again the developing countries played no part in the decisions taken to that end. The developing countries expected the negotiations to bring about a more equitable division of labour in the world, preferential treatment, acceptance of the principle of non-reciprocity, automatic extension to all the developing countries of the advantages which the developed countries granted each other, removal of tariff and non-tariff barriers, and elimination of inverse preferences.

26. The international monetary crisis had aggravated the already critical economic situation of the third-

world countries by causing a considerable reduction in their income and increasing their balance-of-payments deficits. His delegation considered that the reform of the international monetary system should promote the transfer of the resources of the rich countries to the third-world countries, provide the latter with the benefits of preferential treatment and link the new allocations of special drawing rights (SDRs) closely to additional financing for the development of the poorer countries. Since monetary and trade questions and questions relating to financing were closely linked, provision should be made for liaison or co-ordination machinery between UNCTAD, GATT and IMF.

27. Technology had made a large contribution to the improved economic performance and social conditions of the third world, but it was also the source of growing inequalities, as the Under-Secretary-General for Economic and Social Affairs had observed at the 1516th meeting. The developing countries were increasingly dependent in that respect on the richer countries, which intended to use technology to perpetuate their economic domination. The developing countries must therefore be given access to the most advanced technology at reasonable cost. His delegation noted with regret that organizations such as UNIDO, whose first duty was to promote the transfer of technology and science to the countries of the third world, were encountering many financial difficulties which prevented them from carrying out their task in the proper manner.

28. He welcomed the fact that many developing countries would henceforth be assuming control of their natural resources. The time had come to review international law in the light of new information about the world today and the natural right of peoples to recover their resources without having to compensate those who had been plundering them for generations. A State's permanent sovereignty over its natural resources was a sacred principle to which there should be no exception.

29. The concept of collective economic security must be linked with that of development. Until the problem of development had been solved satisfactorily, and as long as there were still inequalities, one could not speak of collective economic security. The concept should be a tool in the service of the cause of development and not a means for the developed countries to guarantee their supplies of primary commodities under the cover of legal and moral instruments approved by the international community. In no case should the concept of collective economic security reduce the scope of the principle of a State's permanent sovereignty over its natural resources.

30. As to the world food crisis, his delegation endorsed the idea of the Director-General of FAO, expressed at the fifty-fifth session of the Economic and Social Council (1861st meeting) and on other occasions, that food stocks should be set up to ensure a minimum level of world food security. The Algiers Conference in its action programme for economic co-operation had recommended the urgent convening of a joint FAO/UNCTAD conference at ministerial level to consider the matter.

31. Development was primarily the responsibility of the developing countries, since it was up to them to carry out the necessary economic and social reforms, particularly agrarian reform, to initiate industrialization programmes and to work out training policies suited to

development needs. International aid should merely be an additional contribution to support national efforts. Moreover, the developing countries must strengthen mutual co-operation, as had been stressed by the representatives of the non-aligned countries at Algiers. The proposal to set up a joint development and solidarity fund was the best proof that the developing countries had realized the importance of helping themselves.

32. Mr. GROZEV (Bulgaria) said that international relations were marked nowadays by a movement towards a reduction of tension—a situation which could only benefit development by encouraging co-operation in all areas. In order to be fruitful, however, such co-operation must be based on the genuine interests of all countries.

33. He welcomed the agreements concluded between the USSR, on the one hand, and the United States, France, the Federal Republic of Germany, and Italy, on the other. That co-operation between the major economic Powers would have beneficial consequences for all humanity, and for the developing countries in particular. Anyone who attempted to damage that *détente* and to reopen the cold war was acting contrary to the aims of the United Nations.

34. Nevertheless, certain forces continued to resist that development, as was shown by Israel's aggression against Egypt and the Syrian Arab Republic, an aggression which might halt the economic development of the Middle East. His country condemned Israel which, by its action, flouted international law, the Charter of the United Nations, and General Assembly and Security Council resolutions.

35. By bringing about economic co-operation between all countries, the *détente* should make it possible to free important resources that could be used for productive purposes. He approved the proposal by the Soviet Union to reduce the military budgets of States permanent members of the Security Council by 10 per cent and to use part of the funds thus saved to provide assistance to the developing countries. His delegation saw in that proposal proof that the Soviet Government was making sincere efforts to improve the situation in those countries.

36. The socialist countries, where economic crises were unknown, were achieving positive results in social and economic development. The integration of the economies of member countries of CMEA did not mean, however, that they were not trying to develop their co-operation with other countries. Quite the contrary.

37. The Bulgarian economy was developing steadily and stably, particularly in the technical and power sectors. Prices had remained stable, while exports and the national income had risen. A fairer distribution of the national income, which was a socialist principle, made it possible to solve many such problems as housing, health, leisure and so forth.

38. The capitalist countries, on the other hand, despite increased production, had not been able to overcome certain serious difficulties: unemployment had risen, inflation had exceeded permissible limits, the monetary crisis was continuing, floating exchange rates were increasing the uncertainty of international trade and were causing harm to developing countries. The latter continued to be at the mercy of trends in the

capitalist countries, as was shown by their mediocre growth rates during the first two years of the Second United Nations Development Decade. Their share in international trade continued to fall, while their debt burden increased. Moreover, no change had been made in the international division of labour.

39. The developed countries continued to be the main market for the developing countries. The so-called boom in international trade brought the developing countries only temporary advantages. The social structure of many of the developing countries was harmful to their growth; in many of them the land did not belong to those who cultivated it and the division of the national income did not profit the main body of the people. Many developing countries which had chosen the progressive way and wished to control their natural resources often came up against foreign monopolies. That had been the case in Chile. The work of President Allende would always be an example of what the fight for independence and freedom should be. The military junta currently in power was trying to destroy the progress made by the people and to re-establish the power of the monopolies. Chile's example had, however, shown the way that peoples must take to destroy domestic and foreign reactionary forces and to achieve economic independence.

40. His delegation understood that the developing countries were making demands on the capitalist countries which had been plundering them for centuries. The development of the countries of the third world was not a collective responsibility; it was primarily the responsibility of the colonialist and neo-colonialist countries.

41. His country was giving the developing countries continuing and disinterested aid within its capacity. The aid was based on the principle of mutual advantage, on the interests of the developing countries and on non-interference in the affairs of those countries. Bulgaria was importing both primary commodities and industrial products. It supplied the developing countries with factories, agricultural equipment and transport vehicles; it built roads, airports, water supply systems and so forth. Several thousand Bulgarian specialists, doctors, veterinarians and teachers, among others, were working in Iraq, Tunisia, Morocco, the United Republic of Tanzania and other countries. In addition, thousands of scholarship-holders from the developing countries were studying in Bulgarian educational institutions.

42. His country was thus doing everything within its power to develop still further co-operation with the developing countries in all fields.

43. Mr. GATES (New Zealand) said his Government found it paradoxical that a world with infinite capacity for mutual co-operation should be so visibly going wrong, and that such a large family of countries as the United Nations, which was well aware of the causes of the situation, should be content to speak about it at interminable length without doing anything to correct it.

44. His Government was particularly disturbed to see that minorities in the industrialized countries controlled the material wealth of the whole world, that millions were living in misery, that on a planet which could produce infinitely more food many suffered from mal-

nutrition, and that a favoured few were squandering resources which, although sufficient for the time being, were none the less limited.

45. His Government was committed to a programme of economic and social justice in New Zealand and to the application of those principles in its foreign policy. It believed that international peace and security in the future could be guaranteed only if there was social and economic justice in the world. If there were no changes of attitude in the very near future, his Government feared that serious consequences would ensue—famines, pestilence, pollution, the exhaustion of resources, social unrest, and even war. A responsible Government had to look into the consequences that its actions today might have in 5, 10 or 20 years.

46. There seemed to be a trend among a few highly industrialized countries to maintain the monopoly of power which they held by reason of their scientific and technical superiority and for those countries, in the spirit of *détente* and despite their ideological differences, to use that power in a common defence against the demands of a less privileged majority. Unless checked, that trend would further deepen the division between rich and poor countries and would increase the temptation for the rich to impose their will on the poor. He hoped that there was still time to change that state of affairs.

47. The damage being inflicted on the environment by the industrialized countries was becoming more obvious with every day, but it was to be hoped that the steps taken by the international community might prove effective. Furthermore, there seemed to be a willingness to tackle the food shortage currently ravaging the Sudano-Sahelian zone. As regards energy resources, the slight shortages which had occurred had demonstrated the need for proper management of resources both on land and in the oceans.

48. The United Nations and the Governments of its Member States seemed, however, to be resistant to change. The same statements had been made for years and ideas seemed to gain weight more by reason of their age than of their merit. The United Nations continued to waste its time by drafting resolutions which, because they represented the lowest common denominator of the collective will of the Organization, were most often ineffective. The work of the Committee itself had a dream-like quality. His Government was looking for new ideas and imaginative initiatives. It was particularly attentive to the views of the developing countries, for it wished to ensure that its modest resources and influence were used to the maximum benefit. New Zealand would not hesitate to add its voice to those of the developing countries in urging the rich and powerful States to accept their moral obligations and to participate not by words but by deeds in development efforts. His Government had withdrawn its reservation concerning the aid targets in the Strategy and would thus be able almost to treble its development assistance in the first half of the Decade. Approximately 30 per cent of its official development assistance would go to multilateral agencies, particularly UNDP, UNICEF and the United Nations Fund for Population Activities. The rate of increase in New Zealand's contribution to UNDP would exceed 15 per cent per annum during the first half of the Decade and the Government was consulting

Governments in developing countries in order to adapt its bilateral aid programmes to their needs.

49. Despite the boom in world trade and the spectacular increase in commodity prices, the urgent need for international monetary reform persisted, for the current instability of exchange rates contributed largely to inflation. Attention should be concentrated first on the monetary aspects of SDRs, particularly on the development of central bank confidence. Once such confidence had been achieved, New Zealand would consider supporting a link between SDRs and development financing.

50. New Zealand had no intention of being a passive spectator at the next round of multilateral trade talks which would take place under the auspices of GATT in 1974. Because of their importance in world trade, EEC, the United States and Japan had a responsibility to commit themselves to work for the expansion and liberalization of world trade to the advantage of all nations.

51. While it accepted the principle of a minimum world food security plan and the proposal for a world food conference, New Zealand felt that food questions should be studied not in isolation but in a political context. In some countries, farmers were paid not to produce; New Zealand, for its part, had difficulty in selling its products in the northern hemisphere because of arrangements which had less to do with efficiency than with politics and protectionism. If farmers could not sell their products at fair prices, it was unlikely that production would increase. Once again, the fundamental importance of the GATT negotiations was clear. The proposed conference should not be used as an excuse for delaying agricultural negotiations within GATT and it should, therefore, be held as soon as possible, perhaps early in 1974. Moreover, the conference should limit itself to considering the world food situation and avoid political controversy.

52. Many speakers had expressed regret that the developed countries were not meeting the targets of the Strategy. In fact, a few countries, including New Zealand, were meeting those targets, but that was unfortunately not the case with the major countries.

53. As the President of the Republic of Zaire had said at the 2140th plenary meeting on 4 October, the time had perhaps come to scrap the distinction between developed and developing countries. It had never been particularly appropriate and was sometimes distinctly misleading. Some so-called developing countries were achieving higher *per capita* income levels than some so-called developed countries, while other States, such as New Zealand, with a small industrial sector were largely dependent on exports of primary commodities, a situation typical of developing countries. If the United Nations was to use its collective strength to realize economic security and to persuade the laggards to participate in implementing the Strategy, it must get away from the unreal and unhelpful polarization between the rich and poor, between developed and developing countries. The latter, as the President of the United Republic of Tanzania had said at Ottawa in August 1973, needed not a trade union of the poor but a trade union of the small. In both economics and politics, the powerful countries tended to settle their problems without giving more than token attention to the rest of the world. Multilateral corporations, whose economic

power exceeded that of many countries, created similar problems for the smaller countries. Collective economic security required the dismantling of the old barriers between developed and developing countries, for that was the only way to encourage the powerful States to follow economic policies compatible with the humanitarian interests of all peoples and the only way to ensure that the activities of multinational corporations promoted economic development.

54. His Government welcomed the initiative of the President of Mexico at the third session of UNCTAD concerning a charter of the economic rights and duties of States. He hoped it would not become lost in the toils of bureaucracy and procedure. The charter would require the broadest possible support if it was to succeed and New Zealand hoped that all countries would approach the exercise in a spirit of co-operation.

55. New Zealand also welcomed the attempt by some countries to involve the United Nations family in providing humanitarian assistance to the liberation movements in Africa. The Economic and Social Council should seek to remove the impediments to the granting of humanitarian assistance to the Territories concerned. Its study would be consistent with the review of existing agreements between the United Nations and the specialized agencies with a view to strengthening the coherence of the system and its capacity to fulfil the objectives of the International Development Strategy in accordance with Economic and Social Council resolution 1763 (LIV). Under the same resolution, the Secretary-General would submit to the Council an independent report on the past and present links between the United Nations and the specialized agencies. New Zealand, like other States, looked forward to receiving those reports.

56. His delegation also looked forward to the results of the work of the Group of Eminent Persons appointed in accordance with Economic and Social Council resolution 1721 (LIII), studying the impact of multinational corporations. If it appeared that a code of conduct was desirable, New Zealand would assist in its preparation.

57. His Government considered that the focal concern of the United Nations should be the achievement of economic and social justice. For three years, the New Zealand delegation to the Economic and Social Council had worked to restore to that body the authority and the role envisaged for it in the Charter. While it was too early to be sure that the revival would be sustained, it did seem that Governments had increased confidence in the Council and would, therefore, give it the required support.

58. Miss BENNATON (Honduras) said that her delegation had been greatly interested by the statement of the Under-Secretary-General for Economic and Social Affairs at the 1516th meeting. The application of technology to economic development, whether in agriculture or in industry, was of paramount importance to the developing countries, and a meaningful programme of action in keeping with the realities of development would considerably strengthen the collective efforts being made within the framework of the Second Development Decade. Similarly, the transfer of technology should be given pride of place in economic development programmes. At all events, the application and transfer of technology must above all be adapted to the situation in each country. In that connexion, the

Honduran delegation had been particularly interested to hear the announcement by the Federal Republic of Germany (1519th meeting) of the establishment of a technological information centre which would co-operate with the corresponding institutions in developing countries. In view of the technological capacity of the Federal Republic of Germany, the centre could be of valuable assistance to the countries of the third world.

59. The shortage of qualified personnel was one of the most serious problems facing the developing countries. However, the usefulness of a specialist depended not only on his training but also on his attitude, and a positive and enthusiastic approach to his work was of primary importance. The importance of that factor had perhaps been underestimated.

60. With regard to the problem of food-stuffs, her delegation had listened with great interest to the statement by the representative of Iceland (1525th meeting), and had supported the idea of setting up a world food bank which could be drawn on in cases of emergency. Like the representative of Iceland, she felt that the sea could constitute an important source of food, provided that appropriate methods of exploitation were developed. Such a solution could be of interest to the developing countries where population growth posed serious problems. If, as proposed at the 2124th plenary meeting by the Secretary of State of the United States, Mr. Kissinger, a world food conference was held in 1974, those proposals should be studied very closely.

61. The third world, which had suffered so many natural catastrophes, should if possible set up a system for preventing such disasters. It should be possible to combat floods and drought by scientific methods; and, although earthquakes could not be prevented, advance warning of them could be obtained through the use of scientific instruments, and their effects limited.

62. In Honduras, the Government of General Oswaldo López Arellano was taking energetic measures in the economic and social fields. Efforts were currently being made to achieve a permanent settlement of the border disputes between El Salvador and Honduras, so that normal trade relations could be re-established between the two countries and the Central American Common Market could be reconstructed. In agriculture, Honduras had launched an experiment in which 10,000 farming families had received 26,500 hectares to cultivate with the support of the National Development Bank and with advice from the National Agricultural Institute and the Department of Rural Development. The Ministry of Economics had taken measures to curb galloping inflation by fixing the prices of wheat flour and other commodities. It had also organized export promotion seminars.

63. From 17 to 22 September 1973, a rural development seminar had been held at the National Agricultural Institute of Comayagua, in Honduras. The purposes of the seminar had been to encourage the government organizations directly concerned with agriculture to engage in more frequent exchanges of view, to achieve better co-ordination in the execution of programmes designed to benefit farmers, and to analyse the problems of the rural sector.

64. Honduras was also witnessing an expansion of its tourist industry. Private enterprise was extremely active in that field, and Honduras was modernizing and industrializing at a rapid pace.

65. Mr. SIDDIQ (Afghanistan) said that his delegation had always believed that the International Development Strategy would succeed only if the developed countries made a genuine effort to honour their commitments and obligations. The first three years of the Decade had to a large extent ended in failure, because of the lack of co-operation and political will on the part of the developed countries, which had not taken concrete measures to fulfil their obligations. The burden of external debts on the economies of developing countries had grown heavier, while the assistance provided to them was declining in relation to their growing needs. On the other hand, the arms race and the conquest of space continued to absorb large sums.

66. In the field of trade, as a result of the strict controls on the commodities of the developing countries and the protectionist policies of the developed countries, the modest share of the developing countries continued to decline. The generalized system of preferences excluded the main agricultural products of the developing countries and, in addition, was not applied by all countries. Furthermore, the international monetary crisis had had harmful effects on the trade relations of the developing countries. The delegation of Afghanistan felt that it was essential that the special interests of those countries should be taken into account in future decision-making with regard to international trade and monetary negotiations and settlements. The reform of the international monetary system was of great importance to the developing countries, since the system devised at Bretton Woods in effect only served the interests of a few developed countries.

67. For obvious reasons, Afghanistan was particularly interested in the special measures in favour of the least developed and the developing land-locked countries. Afghanistan would like to see those measures implemented, but current trends seemed to indicate hesitancy or confusion on the part of the majority of developed countries. The Conference of Heads of State or Government of Non-Aligned Countries had adopted a resolution concerning special measures in favour of the least developed countries. Under that resolution, the Conference had recommended that top priority should be given to the urgent implementation of the programmes adopted by the third session of UNCTAD and by other international organizations and designed to accord special treatment to the least developed countries, especially in the area of trade. It had also been recommended that efforts should be made to implement new measures in all fields, particularly those of trade and financing, and that the various resolutions and decisions of the United Nations and its related organizations should be implemented without delay. A further resolution had been adopted relating to the particular needs of the land-locked countries. It recommended that a set of special provisions should be urgently considered and implemented in order to assure those countries the right of free access to and from the sea and to provide for the international assistance they needed. His delegation hoped that similar decisions would be recommended by the Second Committee. The Republic of Afghanistan believed in the principle of self-reliance, but it would not be realistic to expect it to be able to achieve its full potential within a relatively short period of time without assistance from bilateral and multilateral sources. Afghanistan was willing to take up its responsibilities under the International Development

Strategy and, accordingly, was ready to effect fundamental reforms of its economy as a major step. It was determined to institute land reform in the interest of the majority of its people. Nevertheless, international assistance was needed, together with soft and untied aid. It was essential that the principle of non-reciprocity should be taken into consideration in respect of Afghanistan's trade.

68. The delegation of Afghanistan felt that it was in the economic and social fields that the United Nations could best exploit its potential. It welcomed the enlargement of the Economic and Social Council to 54 members as a measure which would give the Council a wider outlook on the problems of the international community and would place it in a better position to carry out its functions.

69. He fully shared the views expressed at Algiers by the non-aligned countries, which felt that the movement towards *détente*, although welcome, had thus far had little effect on the progress of the developing countries. It was to be hoped that the *détente* would promote the mutual economic relations of the countries directly concerned, but that it would also result in a general improvement in economic relations to the benefit of all the members of the international community.

70. Afghanistan supported the decision of the Conference of Heads of State or Government of Non-Aligned

Countries that an emergency joint conference of FAO and UNCTAD should be convened at ministerial level in order to formulate principles of international co-operation designed to overcome the growing shortage of food and other primary commodities and to maintain stable prices. In that regard, his delegation also supported the proposal by the United States of America that a world food conference should be convened in 1974, together with the idea of holding a special session of the General Assembly at a high level in order to consider the problems of development and revitalization of the machinery set up to achieve the goals and objectives of the International Development Strategy, well in advance of the mid-Decade review due in 1975.

71. He fully supported the proposal by the delegation of the Union of Soviet Socialist Republics for the reduction of the military budgets of the States permanent members of the Security Council by 10 per cent and utilization of part of the funds thus saved to provide assistance to developing countries. He expressed the hope, however, that that assistance would then be channelled through the international organizations and would take account of the urgent needs of the least developed among the developing countries.

The meeting rose at 12.55 p.m.

1529th meeting

Tuesday, 9 October 1973, at 3.20 p.m.

Chairman: Mr. Zewde GABRE-SELLASSIE (Ethiopia).

A/C.2/SR.1529

GENERAL DEBATE (*concluded*)

1. Mr. OLIVERI LOPEZ (Argentina) said that the twenty-eighth session of the General Assembly was taking place during a transitional period in international economic affairs which was of vital importance to the developing countries. The new climate of *détente* between countries with different social and economic systems had already had repercussions in the economic field. While his delegation agreed with the Under-Secretary-General for Economic and Social Affairs (1516th meeting) that the *détente* could be beneficial to world trade, it feared that all the developing countries could hope for from the *détente* were the indirect effects of more active world markets. Indeed, the agreement between the great Powers might well indicate their intention to perpetuate their hegemony rather than to lay the foundations for a more equitable distribution of income in the world.

2. His Government hoped that progress in disarmament would give added impetus to development co-operation, since the frustrations caused by under-development obviously had a bearing on international peace and security. The interdependence of all States was exemplified in the common approach of Governments to such matters as environment policies, the food shortage, exploitation of the sea-bed, and science and technology. The monetary crisis, which had affected

large and small nations alike, had proved that isolated solutions were impracticable. The fact that inflation was affecting even traditionally stable economies was yet another proof of the interdependence of nations.

3. It was accordingly paradoxical that there should have been a standstill, and even a retrogression, in international co-operation within the framework of the International Development Strategy in the first years of the Second United Nations Development Decade. It was clear from the first review and appraisal exercise by the Committee for Development Planning¹ that the cause of development had lost momentum.

4. The working paper submitted by the Economic and Social Council as an annex to resolution 1827 (LV) clearly identified those responsible for the failure to meet the modest targets set by the Strategy, namely, the developed countries, although there were some exceptions. The first review and appraisal exercise would undoubtedly reach the same conclusion. Any conclusions on the success of the Strategy should be based on a diagnosis of past events and related to the progressive approach required by the present challenging times. Whatever the verdict was, there could be no justification for any weakening of the goals and objectives of the Strategy.

¹ See *Official Records of the Economic and Social Council, Fifty-fifth Session, Supplement No. 5*, para. 29.